

**MUNICIPAL STABILITY BOARD
RESOLUTION 2018-11**

**APPROVAL OF THE MILAN PUBLIC LIBRARY
CORRECTIVE ACTION PLAN**

WHEREAS, the Michigan legislature passed the Protecting Local Government Retirement and Benefits Act, MCL 38.2801 et. seq., creating the Municipal Stability Board (the “MSB”) for the purpose of reviewing and approving corrective action plans submitted by municipalities addressing the underfunded status of their municipal retirement systems (the “Corrective Action Plan”);

WHEREAS, the Michigan Department of Treasury (“Treasury”) provides administrative services to the MSB;

WHEREAS, on August 15, 2018, by Resolution 2018-10, the MSB adopted the Corrective Action Plans Best Practices and Strategies (the “Best Practices”) and Corrective Action Plans Approval Criteria (the “Approval Criteria”) pursuant to MCL 38.2808;

WHEREAS, the Best Practices generally require that a plan (i) will sustain legacy costs and future retirement benefits; (ii) utilizes modern plan design; and (iii) is administered as effectively as possible to maintain a fiscally stable retirement system;

WHEREAS, the Approval Criteria generally requires that a plan (i) demonstrate how and when a retirement system will reach a sixty percent funded ratio for pension systems and/or a forty percent funded ratio for retirement health systems; (ii) address the underfunded status within a reasonable timeframe; (iii) is legal and feasible; and (iv) is affordable;

WHEREAS, on July 18, 2018 the MSB received the Milan Public Library’s (the “Municipality”) Corrective Action Plan, a summary of which is attached to this Resolution;

WHEREAS, Treasury and the MSB have reviewed the Municipality’s Corrective Action Plan pursuant to the Best Practices and Approval Criteria; and

WHEREAS, Treasury is recommending the MSB approve the Corrective Action Plan.

NOW THEREFORE, BE IT RESOLVED, the MSB determines that the Municipality’s Corrective Action Plan sufficiently meets the Best Practices and the Approval Criteria;

BE IT FURTHER RESOLVED, the MSB approves the Municipality’s Corrective Action Plan; and

BE IT FURTHER RESOLVED, that Treasury is directed to oversee that the Corrective Action Plan is implemented pursuant to MCL 38.2810 and to report to the MSB the status of the implementation on a regular basis.

Ayes: 3

Nays: 0

Recused: 0

Lansing, Michigan

August 15, 2018